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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

August 27, 2008

Ted & Laurette Thompson
Carnotite, LLC
775 East Claybourne Ave.
Salt Lake City, Utah 84106

Subject: Response to Submittal of Revised Notice of Intention to Commence Small Mining Operations, Carnotite LLC, Carnotite West Mine, S0150097, Task 2539, Emery County, Utah

Dear Mr. & Mrs. Thompson:

The Division has reviewed the revised Notice of Intention to Commence Small Mining Operations (NOI) received July 18, 2008.

The information you submitted satisfies most of the regulatory requirements. There are some issues that cannot be resolved with information currently available to the Division, but there are other issues that can be addressed at this time.

1. The Division asks that you re-submit the NOI and include the updated and revised information that was contained in your most recent submittal. The Division needs a single, consolidated document that will serve as the NOI. You do not need to send new maps or photographs, but please do include such items as the BLM project number and the company officer name. The Division recognizes the authority given to Lee Thompson to sign for Carnotite West LLC, but in spite of this authority, she is not officially an officer.
2. Your response says the vent shaft will not be part of your disturbance and that any benefit from the vent shaft is purely coincidental. Please verify that the vent shaft is not needed by providing a copy of your MSHA ventilation plan.
3. Your letter requests an on-site meeting to look at the issue of a variance for topsoil salvage. We will contact you to schedule the meeting. The Division is not necessarily opposed to the variance, but it would be beneficial to view the mine site and look at waste dumps, vegetation, soils, and other issues.
4. In our previous correspondence, we neglected to discuss a radiation survey. You are obviously well aware of the numerous mining disturbances, and it is likely there are areas with radiation levels higher than background. Rule R647-3-107.4 says:



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All deleterious or potentially deleterious material shall be safely removed from the site or left in an isolated or neutralized condition such that adverse environmental effects are eliminated or controlled.

Deleterious materials are defined as:

... earth, waste or introduced materials exposed by mining operations to air, water, weather or microbiological processes, which would likely produce chemical or physical conditions in the soils or water that are detrimental to the biota or hydrologic systems.

Areas within the area you plan to mine which might contain existing radioactive materials, i.e. deleterious materials, need to be identified. A survey for radioactive materials will help protect you from accusations that you left radioactive materials on the surface, and it also identifies levels to which the site should be returned when you are done mining.

The Bureau of Land Management is writing an environmental assessment, and until this is complete and any needed changes are made to the plan of operations, they are unable to concur on a surety amount. We will let you know when that amount has been determined.

If you have questions about the requirements in this letter, please contact Paul Baker at 801-538-5261. Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dana Dean', with a stylized flourish at the end.

Dana Dean, P.E.
Associate Director, Mining

DD:PBB:pb

Task ID# 2539

cc: Chris Conrad, Price BLM Field Office

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